



Commonwealth of Kentucky Public Protection Cabinet

Steve Beshear, Governor

Ambrose Wilson IV, Secretary

FOR IMMEDIATE RELEASE

Contact: Kelly May
502-782-9031 Direct
502-229-5068 cell
Kelly.may@ky.gov

Judge Orders Salyersville Man, Woman to Repay Investors

More than \$1.3 Million Restitution Due in Securities Fraud Case

SALYERSVILLE, Ky. (Feb. 6, 2015) –The Department of Financial Institutions (DFI) announced restitution of more than \$1.3 million was ordered to be paid to five victims in a securities fraud case in Magoffin County.

This is the first case where DFI employees in the agency's new Prosecution Assistance Unit were appointed as assistant commonwealth's attorneys in Magoffin County and could prosecute for the duration of this case. They worked with the Magoffin County Commonwealth's Attorney's Office.

Pamela Jean Williams, 51, and Richard Dow Williams, 72, both of Salyersville, were sentenced in Magoffin County Circuit Court. Ms. Williams was sentenced to one year and Mr. Williams was sentenced to three years – both sentences are probated for five years. Judge Kimberly Childers noted, however, that if restitution is not paid within the five years, the probation can be extended.

The Williamses were charged with 10 counts each of selling unregistered securities and five counts of fraudulent securities practices for misrepresenting or omitting material facts about a gas well investment. Each pleaded guilty in November to a recommended charge of one consolidated fraud count with restitution to the victims.

"DFI is committed to protecting investors from fraud," said DFI Commissioner Charles Vice. "The Prosecution Assistance Unit is another way we can help bring justice to those who misrepresent the products they sell and disregard securities registration requirements. We want prosecutors across the state to know of this effective resource for prosecuting complicated fraud cases."

DFI encourages those who have information about any type of investment fraud to call 800-223-2579. Investors can check out investment products and the person selling them by calling toll-free or visiting <http://kfi.ky.gov/public/Pages/invest.aspx>.

DFI, <http://kfi.ky.gov>, is an agency in the Public Protection Cabinet. For more than 100 years it has supervised the financial services industry by examining, chartering, licensing and registering various financial institutions, securities firms and professionals operating in Kentucky. DFI's mission is to serve Kentucky residents and protect their financial interests by maintaining a stable financial industry, continuing effective and efficient regulatory oversight, promoting consumer confidence, and encouraging economic opportunities.

###